What is claimed is:

- 1. A method of increasing the secretion of a heterologous protein in a eukaryotic cell comprising inducing an elevated unfolded protein response (UPR).
- 2. The method of Claim 1 wherein inducing is by increasing the presence of HAC1 protein in said cell.
- 3. The method of Claim 2 wherein said HAC1 protein is constitutively produced.
- 4. The method of Claim 2 wherein said increase of HAC1 protein is by a UPR inducing form of a HAC1 recombinant nucleic acid.
- 5. The method of Claim 2 wherein said HAC1 protein is encoded by a nucleic acid isolated from a cell selected from the group consisting of Aspergillus, Trichoderma, Saccharomyces, Schizosaccharomyces, Kluyveromyces, Pichia, Hansenula, Fusarium, Neurospora, and Penicillium.
- 6. The method of Claim 2 wherein said HAC1 protein is encoded by a nucleic acid isolated from yeast.
- 7. The method of Claim 6 wherein said yeast is Saccharomyces cerevisiae.
- 8. The method of Claim 2 wherein said HAC1 protein is encoded by a nucleic acid isolated from filamentous fungi.
- 9. The method of Claim 8 wherein said fungi is from Trichoderma.
- 10. The method of Claim 8 wherein said fungi is Trichoderma reesei.

- 11. The method of Claim 8 wherein said fungi is from Aspergillus.
- 12. The method of Claim 8 wherein said fungi is Aspergillus nidulans.
- 13. The method of Claim 8 wherein said fungi is Aspergillus niger.
- 14. The method of Claim 1 wherein said inducing is by modulating the level of IRE1 protein or PTC2 protein in said cell.
- 15. The method of Claim 1 wherein said inducing is by increasing the level of IRE1 protein.
- 16. The method of Claim 15 wherein said IRE1 is an IRE1 variant which has the activity of a constitutively phosphorylated IRE1.
- 17. The method of Claim 15 wherein said IRE1 protein is encoded by a nucleic acid isolated from a cell selected from the group consisting of *Aspergillus, Trichoderma, Saccharomyces, Schizosaccharomyces, Kluyveromyces, Pichia, Hansenula, Fusarium, Neurospora,* and *Penicillium*.
- 18. The method of Claim 15 wherein said IRE1 protein is encoded by a nucleic acid isolated from yeast.
- 19. The method of Claim 18 wherein said yeast is Saccharomyces cerevisiae.
- 20. The method of Claim 15 wherein said IRE1 is isolated from filamentous fungi.
- 21. The method of Claim 20 wherein said fungi is from *Trichoderma*.
- 22. The method of Claim 20 wherein said fungi is Trichoderma reesei.

- 23. The method of Claim 20 wherein said fungi is from Aspergillus.
- 24. The method of Claim 20 wherein said fungi is Aspergillus nidulans.
- 25. The method of Claim 20 wherein said fungi is Aspergillus niger.
- 26. The method of Claim 1 wherein said cell is selected from the group consisting of Aspergillus, Trichoderma, Saccharomyces, Schizosaccharomyces, Kluyveromyces, Pichia, Hansenula, Fusarium, Neurospora, and Penicillium.
- 27. The method of Claim 1 wherein said cell is a yeast cell.
- 28. The method of Claim 27 wherein said yeast is Saccharomyces cerevisiae.
- 29. The method of Claim 1 wherein said cell is from filamentous fungi.
- 30. The method of Claim 29 wherein said fungi is from Trichoderma.
- 31. The method of Claim 29 wherein said fungi is Trichoderma reesei.
- 32. The method of Claim 29 wherein said fungi is from Aspergillus.
- 33. The method of Claim 29 wherein said fungi is Aspergillus nidulans.
- 34. The method of Claim 29 wherein said fungi is Aspergillus niger.
- 35. The method of Claim 1 wherein said cell is an insect cell.
- 36. The method of Claim 1 wherein said cell is a mammalian cell.

- 37. An isolated nucleic acid encoding a HAC1 protein, wherein said HAC1 protein induces unfolded protein response and has less than 50% similarity to yeast HAC1 protein.
- 38. An isolated nucleic acid encoding a HAC1 protein, wherein said HAC1 protein induces unfolded protein response and wherein said HAC1 protein comprises a DNA binding region that has greater than 70% similarity to the DNA binding region of filamentous fungi HAC1 protein.
- 39. The nucleic acid of Claim 38 wherein said filamentous fungi HAC1 protein has an amino acid sequence as shown in Figure 7 or Figure 8 or Figure 28.
- 40. The nucleic acid of Claim 38 wherein said HAC1 protein has an amino acid sequence having greater than 70% similarity to the sequence of Figure 7 or Figure 8 or Figure 28.
- 41. The nucleic acid of Claim 38 isolated from Trichoderma reesei.
- 42. The nucleic acid of Claim 38 isolated from Aspergillus nidulans.
- 43. The nucleic acid of Claim 38 isolated from Aspergillus niger.
- 44. The nucleic acid of Claim 38 wherein said HAC1 protein has an amino acid sequence as set forth in Figure 7.
- 45. The nucleic acid of Claim 38 wherein said HAC1 protein has an amino acid sequence as set forth in Figure 8.
- 46. The nucleic acid of Claim 38 wherein said HAC1 protein has an amino acid sequence as set forth in Figure 28.

- 47. The nucleic acid of Claim 38 wherein said nucleic acid comprises a coding nucleic acid sequence as set forth in Figure 7.
- 48. The nucleic acid of Claim 38 wherein said nucleic acid consists essentially of a coding nucleic acid sequence as set forth in Figure 7.
- 49. The nucleic acid of Claim 38 wherein said nucleic acid comprises a coding nucleic acid sequence as set forth in Figure 8.
- 50. The nucleic acid of Claim 38 wherein said nucleic acid consists essentially of a coding nucleic acid sequence as set forth in Figure 8.
- 51. The nucleic acid of Claim 38 wherein said nucleic acid comprises a coding nucleic acid sequence as set forth in Figure 28.
- 52. The nucleic acid of Claim 38 wherein said nucleic acid consists essentially of a coding nucleic acid sequence as set forth in Figure 28.
- 53. A protein encoded by the nucleic acid of Claim 37.
- 54. A protein having unfolded protein response inducing activity and having greater than 70% similarity to an amino acid sequence of Figure 7 or Figure 8 or Figure 28.
- 55. A protein having an amino acid sequence as set forth in Figure 7 or Figure 8 or Figure 28.
- 56. An isolated nucleic acid encoding a PTC2 protein wherein said PTC2 protein modulates unfolded protein response and wherein said PTC2 has at least 70% similarity to an amino acid sequence of Figure 24 or Figure 25.

- 57. The nucleic acid of Claim 56 isolated from Trichoderma reesei.
- 58. The nucleic acid of Claim 56 isolated from Aspergillus nidulans.
- 59. The nucleic acid of Claim 56 isolated from Aspergillus niger.
- 60. The nucleic acid of Claim 56 wherein said PTC2 protein has an amino acid sequence as set forth in Figure 24.
- 61. The nucleic acid of Claim 56 wherein said PTC2 protein has an amino acid sequence as set forth in Figure 25.
- 62. The nucleic acid of Claim 56 wherein said nucleic acid comprises a coding nucleic acid sequence as set forth in Figure 24.
- 63. The nucleic acid of Claim 56 wherein said nucleic acid consists essentially of a coding nucleic acid sequence as set forth in Figure 24.
- 64. The nucleic acid of Claim 56 wherein said nucleic acid comprises a coding nucleic acid sequence as set forth in Figure 25.
- 65. A protein encoded by the nucleic acid of Claim 56.
- 66. A protein having unfolded protein response modulating activity and having greater than 70% similarity to the amino acid sequence of Figure 24 or Figure 25.
- 67. A protein having an amino acid sequence as set forth in Figure 24 or Figure 25.

- 68. A nucleic acid encoding a IRE1 protein having unfolded protein response modulating activity and having at least 60% to an amino acid sequence as shown in Figure 26 or Figure 27.
- 69. The nucleic acid of Claim 68 wherein said IRE1 protein has an amino acid sequence as shown in Figure 26 or Figure 27.
- 70. The nucleic acid of Claim 68 wherein said nucleic acid is isolated from *Trichoderma reesei*.
- 71. The nucleic acid of Claim 68 wherein said nucleic acid is isolated from *Aspergillus nidulans*.
- 72. The nucleic acid of Claim 68 wherein said nucleic acid is isolated from Aspergillus niger.
- 73. The nucleic acid of Claim 68 wherein said IRE1 protein has an amino acid sequence as set forth in Figure 26.
- 74. The nucleic acid of Claim 68 wherein said IRE1 protein has an amino acid sequence as set forth in Figure 27.
- 75. The nucleic acid of Claim 68 wherein said nucleic acid comprises a coding nucleic acid sequence as set forth in Figure 26.
- 76. The nucleic acid of Claim 68 wherein said nucleic acid consists essentially of a coding nucleic acid sequence as set forth in Figure 26.
- 77. The nucleic acid of Claim 68 wherein said nucleic acid comprises a coding nucleic acid sequence as set forth in Figure 27.

- 78. The nucleic acid of Claim 68 wherein said nucleic acid consists essentially of a coding nucleic acid sequence as set forth in Figure 27.
- 79. A protein encoded by the nucleic acid of Claim 68.
- 80. A protein having unfolded protein response inducing activity and having greater than 70% similarity to the amino acid sequence of Figure 26 or Figure 27.
- 81. The protein of Claim 80 wherein said protein has constitutive unfolded protein response inducing activity.
- 82. A protein having an amino acid sequence as set forth in Figure 26 or Figure 27.
- 83. A cell containing a heterologous nucleic acid encoding a protein having unfolded protein response modulating activity and a heterologous nucleic acid encoding a protein of interest to be secreted.
- 84. The cell of Claim 83 wherein said protein having unfolded protein response modulating activity is selected from the proteins selected from the group consisting of HAC1, PTC2 and IRE1.
- 85. The cell of Claim 83 wherein said protein of interest is selected from the group consisting of lipase, cellulase, endo-glucosidase H, protease, carbohydrase, reductase, oxidase, isomerase, transferase, kinase, phosphatase, alpha-amylase, glucoamylase, lignocellulose hemicellulase, pectinase and ligninase.
- 86. A protein encoded by the nucleic acid of Claim 38.